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Mexico Looks to Increase Imports of Dry Beans

Report Categories:

Trade Policy Monitoring

Grain and Feed

Food Security

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Report Highlights:

On January 13, 2012, Mexico's Secretariat of Economy (SE) announced that it will allow a total of 100,000 MT of dry beans to be imported duty-free under a tariff rate quota (TRQ). The SE will administer the TRQ for WTO-member countries that have protocols set up to export dry beans to Mexico, which will be valid from January 13 to December 31, 2012. As of January 16, 2012, only the United States, Canada, Nicaragua and Argentina are permitted to export dry beans to Mexico.

General Information:

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Introduction: This report summarizes an agreement that modifies the mechanism of importing dry beans under the TRQ published in Mexico's Federal Register (*Diario Oficial*) on January 13, 2012 (see 2008 GAIN report [MX8046](#) *Mexico Announces a Tariff Rate Quota on Dry Beans 2008*).

Disclaimer: This summary is based on a *cursory* review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail. SE's official announcement in Spanish can be found at:

http://www.dof.gob.mx/nota_detalle.php?codigo=5229357&fecha=13/01/2012

Title: "Agreement modifying the mechanism for importing dry beans under a tariff rate quota."

FAS/Mexico's Executive Summary: The SE published in the Federal Register on January 13, 2012, an agreement that modifies the dry beans TRQ announcement for WTO-member countries for 2012 (see 2011 GAIN report [MX1101](#) *December Grain and Feed Update - Bean Production Forecast Lower*).

The agreement states that on June 30, 2007, the SE published a decree modifying various import tariffs of the Tariff of the General Import and Export Law, which established a TRQ on dry beans (H.S. 0713.33.02, 071333.03 and 071333.99).

The TRQ will be allocated on a "first come, first serve" basis. According to the announcement, the measure is intended to help keep prices low for Mexican families and to stimulate domestic food production.

The TRQ will total 100,000 MT and will be open from the date of its publication (January 13, 2012) to the end of the year. Normally, the TRQ is valid from July 15 to October 31 of each year.

The allocation of the TRQ will be as follow:

- 90,000 MT will be limited to private importers and public entities established in Mexico that have participated in at least one public auction conducted in 2005, 2006 and/or 2007 and received a TRQ allocation under the North America Free Trade Agreement (NAFTA) or the Free Trade Agreement with Nicaragua. In addition, private importers and public entities that meet the requirement under the modified Tariff of the General Import and Export Law, which established a TRQ on dry beans (H.S. 0713.33.02, 071333.03 and 071333.99) from 2008 onward; and public entities that run social programs that supply dry beans to the needy.

- 10,000 MT for those importers that do not comply with the profile stated in the previous provision.

In either case, TRQ participants will be able to request new allocations as long as they have used at least 75 percent of their previous allocation.

Market Access for Dry Beans in Mexico: As of January 16, 2012, contacts at Mexico's National Service of Health, Food Safety, and Food Quality (SENASICA) confirmed that dry beans can only be imported from the United States, Canada, Nicaragua and Argentina. SENASICA officials did state, however, that Mexico is currently working on developing protocols to import dry beans from Bolivia, Brazil, Peru, China and Colombia.

For More Information: FAS/Mexico Web Site: We are available at www.mexico-usda.com or visit the FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

| Report Number | Subject | Date Submitted |
|------------------------|---|----------------|
| MX1101 | December Grain and Feed Update - Bean Production Forecast Lower | 12/22/11 |
| MX1095 | Rice Production Forecast Lower | 12/12/11 |
| MX1059 | Grain and Feed July Update | 7/25/2011 |
| MX1048 | Grain and Feed June Update | 6/20/2011 |
| MX1043 | Grain and Feed May Update -- Sorghum Situation | 5/25/2011 |
| MX1033 | Grain and Feed April Update | 4/29/2011 |
| MX1017 | 2011 Grain and Feed Annual | 3/14/2011 |
| MX1012 | Hard Freeze Damages Sinaloa Corn and Produce | 2/11/2011 |
| MX1006 | January Update for Corn and Rice | 1/28/2011 |

Useful Mexican Web Sites: Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx, equivalent to the U.S. Department of Commerce (SE) can be found at www.economia.gob.mx and equivalent to the U.S. Food and Drug Administration (SALUD) can be found at www.salud.gob.mx. These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with, the information contained on the mentioned sites.